

IN THE SPECIFICATION:

Page 14, line 23 to page 17, line 3, have been resubmitted showing Example 10 as required by the examiner.

It is also possible to produce a variant of the invention incorporating an optically variable device such as a hologram, Kinegram or Exelgram. Here an additional embossing lacquer (10) is applied on to the substrate and embossed to provide an embossed surface (11). The reflection enhancing layer used to form the partially metallised layer 3, 4 may be metal, as shown in Figs. 28 to 31, ~~or an HRI layer, as shown in Figs. 32 to 34.~~

Figures 28 to 31 show alternative constructions for the optically variable device utilizing a metallic reflection enhancing layer for the partially metallised layer 3, 4. ~~Figures 32 to 34 show alternative constructions for utilizing the HRI reflection enhancing layer.~~

Example 10

Figure ~~35~~ 32 illustrates an alternative construction whereby the coated film (1,2) is metallised and, selectively demetallised. An embossing lacquer (10) is applied, which is then embossed. An optional protective polymer layer(s) is applied to the embossed surface (11).

Example 11

~~Figure 2 illustrates a further alternative construction, which is a variant of that shown in Figure 1, whereby the polymer carrier layer (1) has a metal layer applied thereto which is partially demetallised to form a partially metallised surface (3, 4). The varnish (2) containing the magnetic material is then applied to the partially metallised surface (3, 4). An additional protective layer (5) may then be applied over the layer of varnish (2). Alternatively, the varnish (2) may first be applied to the protective layer (5) and this construction laminated to the partially demetallised structure (3, 4).~~

Example 1211

In this example, as illustrated in Figure ~~36~~ 33, the substrate has two partially metallised layers (3, 4). This is achieved by partially demetallising the first carrier layer (1) and, in a separate process, partially demetallising a second additional carrier layer (5). The magnetic material containing varnish (2) is applied to the partially metallised surface (3, 4) of the first layer (1) and a laminating adhesive (12) applied to enable the second layer (5) with its demetallised surface (3, 4) to be adhered to the first layer (1).

Example 1312

This is an example of a coded thread as mentioned previously and as illustrated in Figure ~~37~~ 34. In this example an additional magnetic layer (10) is applied to the transparent magnetic media containing layer

(2). The additional magnetic layer (10) is preferably discontinuous and also transparent, but incorporates a material of differing coercivity to that of layer (2). Although it is preferred that the layer (10) is transparent, a non-transparent magnetic material may be used in layer 10. The additional layer (10) may also comprise several different magnetic materials printed sequentially to define a code, either abutting or overlapping to form a continuous layer.

Example 1413

This is a further example of a coded substrate, as illustrated in Figure ~~38~~ 35, in which the magnetic material containing varnish (2) is applied in a discontinuous manner to define a code. The code may be printed with several materials having different coercivities. In this example, the need for an additional magnetic layer is described in Example ~~13~~ 12 is removed. However, as with the previous examples, where using materials of differing coercivities, these can be printed in sequence either abutting or overlapping to form a continuous layer. In this Example numeral (13) denotes an uncoated magnetic region. In an alternative embodiment, the code does not need to be in register with the indicia.

In all the aforementioned examples it should be noted that, as mentioned in conjunction with Example ~~34~~ 12, the demetallised construction consisting of the carrier layer (1) and partially metallised

surface (3, 4) can be formed separately from the transparent magnetic construction comprising the protective layer (5) with the magnetic material containing varnish (2) and then laminated together using a suitable adhesive.